



# **ANNUAL REPORT 2008/09**



**Green Manitoba**  
*An Agency of the Manitoba Government*



## **Table of Contents**

Minister's Letter of Transmittal.....	1
Deputy Minister's Letter of Transmittal...	2
Chief Executive's Message.....	3
Executive Summary.....	4
Agency Profile.....	5
Staff.....	9
Acknowledgements.....	9
Financial Statements	



**Green Manitoba**  
*An Agency of the Manitoba Government*





MINISTER OF  
SCIENCE, TECHNOLOGY, ENERGY AND MINES

Legislative Building  
Winnipeg, Manitoba, CANADA  
R3C 0V8

The Honourable Philip S. Lee, C.M., O.M.  
Lieutenant Governor of Manitoba  
Room 235 Legislative Building  
Winnipeg MB R3C 0V8

Your Honour:

I have the privilege of presenting the Annual Report of Green Manitoba Eco Solutions for the year ending March 31, 2009.

In January 2006, the Manitoba Government released the *Green and Growing* document that outlined the government's strategic direction on important environmental initiatives.

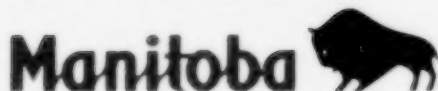
A key component of that strategy has been the creation and development of a new agency that will implement specific new initiatives related to the Green and Growing vision.

This is the third Annual Report from that agency.

Respectfully submitted,

Jim Rondeau





Science, Technology, Energy and Mines

Deputy Minister

Room 349, Legislative Building, Winnipeg, MB, R3C 0V8

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Honourable Jim Rondeau  
Minister Responsible for Green Manitoba  
Eco Solutions  
Room 333 Legislative Building  
Winnipeg MB R3C 0V8

Dear Minister Rondeau:

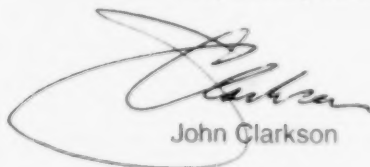
I am pleased to submit for your consideration the Annual Report of Green Manitoba Eco Solutions for the year ended March 31, 2009.

Science, Technology, Energy and Mines has been designated the lead Department in implementing the Green and Growing Strategy of the Government.

Consistent with that strategy, a new Special Operating Agency – Green Manitoba – was established, as of April 1, 2006, to advance sustainable practices throughout the Province.

This report outlines the activities and achievements of the agency during its third year of operation.

Respectfully submitted,



John Clarkson

## Chief Executive's message

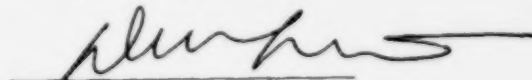
Fiscal year 2008/09 represented a turning point for Green Manitoba Eco Solutions. Enthusiastic uptake of new and continuing Agency programs resulted in a level of public engagement not achieved in prior years, and expanded program funding helped generate the Agency's first record of retained earnings. These significant accomplishments, in addition to others, are reflected in this 2008/09 Annual Report which I am pleased to provide on behalf of all Green Manitoba staff.

In its third year of operations, the Agency explored more opportunity and broadened its span of activity to better support government's sustainability and climate change action goals. New partnerships were created and innovative initiatives were launched aimed at encouraging "green" actions on the part of small businesses, schools, Manitoba households and the public at large. In the case of both Green Manitoba's Eco Calendar and Manitoba's first-ever toilet rebate promotion, customer response was remarkable. Re-establishment of Green Manitoba's E-waste Round-up program was equally successful with record volumes of waste collected and recycled. In all instances, the Agency's progress in building capacity for change and stimulating action on sustainability issues reflects a success shared with the many organizations and individuals who participated with us.

The work achieved would not have been possible without the strong effort and dedication of agency staff. We remain committed to a green and growing Manitoba and will continue to challenge ourselves and others to keep Manitoba in the forefront of sustainable prosperity.

In the near future, an Advisory Board for the agency will be established. We look forward to the Board's advice regarding Green Manitoba's strategic direction and business practices.

Respectfully submitted,



Doug Smith  
Director



## Executive summary

Green Manitoba was established to help build a sustainable and prosperous future for all Manitobans. By emphasizing practical approaches to waste reduction, water conservation and energy efficiency in communities, homes and businesses, Green Manitoba works to achieve a winning merger of environmental protection and economic growth throughout the Province.

Green Manitoba's activities are guided by core concepts regarding opportunity, collaboration and value:

- *Thinking broadly about social, economic and environmental issues and their interrelationships underpins the notion of sustainability and expands awareness of new opportunities and choices.*
- *Successfully engaging diverse stakeholders in both traditional and innovative ways is vital for securing the partnerships and collaborative effort essential for achieving meaningful progress.*
- *Delivering genuine value from the stakeholders' perspective is key to advancing Manitoba's sustainability objectives and reinforces the importance of actions that are practical, measurable and effective.*

By putting these concepts into practice, Green Manitoba made significant headway in 2008/09 – the Agency's third year of operations. Of special note:

- Green Manitoba developed a program and initiated a partnered approach with Manitoba Hydro to encourage small businesses throughout Manitoba to implement low-cost or no-cost measures aimed at increasing energy and water efficiencies and reducing waste.
- The Green Schools Initiative was developed and implemented resulting in almost every school division in Manitoba undertaking new activity to enhance transportation/energy/water efficiency, naturalization, and waste minimization.
- A partnered, province-wide approach to electronic waste collection and recycling was re-introduced and a record quantity of e-waste was diverted from landfill.
- In partnership with Manitoba Water Stewardship and many retailers throughout the province, Green Manitoba designed, launched and managed an innovative low-flow toilet rebate campaign that attracted sales exceeding 10,000 units.
- The inaugural edition of Green Manitoba's Eco Calendar was developed and 75,000 calendars promoting greener living were distributed to the general public.

Green Manitoba's 2008/09 year-end financial position reflects the Agency's program expansion and increased ability to capitalize on revenue opportunities. Although the business model remains challenging, additional programming linked to government "green" policy frameworks and greater emphasis on cost containment are expected to support the Agency's viability over the longer term. Green Manitoba is committed to using this time to achieve key objectives, deliver benefit to clients, and demonstrate value to stakeholders.





## Agency profile

### History

Green Manitoba was created as a Special Operating Agency effective April 1, 2006, by merging existing elements of the Departments of Science, Technology, Energy & Mines and Conservation. Treasury Board allocated additional resources to Green Manitoba in FY 2006/07 to support the government's *Green Building* policy initiative. Since inception, Green Manitoba has served as an enabler and delivery agent for programs that enhance sustainability and resource management practices throughout the province.

### Mission

The mission of Green Manitoba is to promote sustainable communities and enhance economic prosperity in Manitoba through joint environmental action on waste minimization, water conservation and energy efficiency.

Through demonstrated leadership and effective collaboration, Green Manitoba guides and supports environmentally-sound community practices intended to:

- Reduce solid waste generation and encourage materials efficiency
- Preserve adequate, reliable and sustainable supplies of freshwater
- Decrease energy consumption and mitigate climate change impacts

Green Manitoba is a key delivery agent for both government's *Green and Growing* strategy and Climate Change Action Plan. By bringing together partners from different levels of government, business and other stakeholder organizations, Green Manitoba facilitates and drives implementation of a variety of sustainable solutions.

Our vision is "*a cleaner and greener Manitoba*" where natural resources are used wisely, waste is eliminated, adverse climate change impacts are minimized, and sustainable development is increasingly understood as the key to unlocking future economic prosperity and a high quality of life.

We work closely with communities, governments, businesses, and other stakeholder organizations to facilitate or complement activities and programs designed to achieve environmental protection and community development goals.



## Principal Program Areas

Green Manitoba pursues activities and goals in four principal areas:

- Waste minimization
- Water conservation
- Energy efficiency
- Climate change action

Green Manitoba believes that a marked change in public attitudes, perceptions and priorities on environmental issues affords an opportunity not to be missed. We will continue to join up public sector thinking on sustainable waste, water, and energy practices and climate change actions that, through collaboration with partners, can be implemented to good effect.

## Key achievements for 2008/09

Green Manitoba is uniquely positioned to act as a catalyst for change toward enhanced sustainability in Manitoba. Through emphasis on the concepts of eco-efficiency, innovation, and partnered approaches, Green Manitoba leads the implementation of community-based practices that conserve water, reduce demand for energy, and effectively manage and minimize waste. On behalf of Manitoba Science, Technology, Energy and Mines Green Manitoba delivers programs supporting government's Climate Change Action Plan. Green Manitoba adopts an entrepreneurial approach to accomplishing its mandate and partners with public agencies, community organizations, businesses and residents to leverage collective knowledge and effort and ensure shared success.

2008/09 was a year marked by innovation and progress achieved on several fronts. New initiatives were launched and work on important programs already underway continued. Several key milestone events and successes were accomplished with the help of strong buy-in from stakeholders and broad public support. New partnerships were forged to enable the realization of additional program opportunities.

Green Manitoba's task of identifying value-add opportunities, building collaborative relationships and securing program resources – although still challenging – is an operating norm that the Agency is now managing more effectively. The highlights listed below emanate from that environment and reflect a commitment from the Agency to contribute meaningfully to Manitoba's sustainability agenda.



## Year 2008/09 Highlights

- Launched and administered the Green Schools Initiative that provided approximately \$700,000 in funding support to Manitoba school divisions for "greening" school operations.
- Supported the development and enactment of a Packaging and Printed Paper Stewardship Regulation and program in partnership with Manitoba Conservation.
- Developed and managed a provincial environmental poster contest for Manitoba schools. Green Manitoba received over 900 environment-themed poster submissions from K-9 students across Manitoba.
- Arranged, administered and funded Manitoba's province-wide household hazardous waste (HHW) collection program throughout 2008/09. Program results included 30 collection events delivered and over 650,000 kgs of HHW collected - the highest recovery level to date.
- Introduced the Home Appliance Recycling Program (HARP) made possible through start-up financial assistance provided to the Kidney Foundation.
- Developed and managed the provincial rebate program for dual flush toilets, leading to a successful one-day event in which over 10,600 toilets were purchased by the Manitoba public. This program generated an annual water saving opportunity equivalent to approximately 277 million litres.
- Managed the province-wide 2008/09 E-Waste Round-Up program that collected and ensured proper recycling of over 780,000 kilograms of discarded residential electronics.
- Managed the School Division E-Waste Recycling Program through which an additional 53,250 kilograms of electronic waste was recovered on a fee-for-service basis.
- Supported a "Drive Green" program to achieve measurable impacts relative to vehicle fuel efficiency in Manitoba.
- Coordinated and supported the Gimli Water Conservation Project that resulted in 100 water conservation kits being distributed to households in the community through collaboration with Gimli Youth Community Partnership.
- Co-developed, with Manitoba Hydro, a Power Smart Shops program aimed at enhancing the sustainability of small and medium businesses in Manitoba. The program was jointly launched March 2009.

- Implemented a municipal greenhouse gas reduction initiative, in concert with designated municipalities, aimed at promoting and enabling the calculation of community GHG emission levels and the establishment of local action plans to achieve reduction targets. This provided an important foundation for further development of a major community-led emissions reduction program (CLER) administered by the Department of Inter-governmental Affairs.
- Forged a stakeholder coalition and developed the inaugural edition of Green Manitoba's Eco Calendar (2009). 75,000 calendars promoting greener living through individual actions were distributed to the general public.
- Secured and coordinated the provision of recycling and waste management funding grants to independent K-12 schools throughout Manitoba, and administered the Post Secondary Education Institutions Recycling Support Program to promote waste reduction and green activities in Manitoba universities and colleges.
- Supported the implementation of community-based lower income energy and water residential efficiency programs in Brandon and Winnipeg, in collaboration with Manitoba Hydro, Competitiveness, Training & Trade, Family Services and Housing, and Water Stewardship. Oversight of resources allocated to the Green Manitoba Efficiency Fund was provided.

### **Looking ahead to 2009/10 ... and beyond**

As a delivery agent for government dedicated to enhancing sustainability and resource management practices throughout the province, Green Manitoba recognizes the potential that exists to move the province's "green" agenda forward. Some initiatives that Green Manitoba proposes to champion, or substantially contribute to, over the longer term include:

- Developing an up-to-date, comprehensive strategy and action blueprint for waste minimization and management in Manitoba, and devising programs that best respond to existing opportunities
- Increasing recycling and materials processing capacity in Manitoba
- Prioritizing and driving community-based responses to inefficient uses of freshwater and monitoring and measuring progress in a scientific manner
- Developing green space stewardship programs that encourage recognition of the value of urban green and natural spaces

- Working strategically with housing authorities and other partners on campaigns to improve residential energy efficiency for targeted communities where the potential for payback is greatest
- Delivering creative resource efficiency campaigns that effectively engage the interests of Manitobans and motivate desired behaviours

## **Staff – 2008/09**

Doug Smith	Shane McKenzie	Jo Ann Van Santen
John Jonasson	Randall Shymko	Annette Vogt
Jim Ferguson	Marie Storey	Carla Richmond
Lindsay Irwin	Rathan Bonam	

## **Acknowledgements**

Green Manitoba gratefully acknowledges the support and cooperation received in 2008/09 from all the individuals, entities and partners who shared in our endeavors and contributed to a greener and more sustainable Manitoba.



**GREEN MANITOBA ECO SOLUTIONS**  
*(An Agency of the Special Operating Agencies  
Financing Authority Province of Manitoba)*  
**Financial Statements**  
**Year Ended March 31, 2009**

**GREEN MANITOBA ECO SOLUTIONS**  
*(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)*

**Index to Financial Statements**

**Year Ended March 31, 2009**

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	Page
AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
Management's Responsibility for Financial Reporting	2
Balance Sheet	3
Statement of Income and Retained Earnings	4
Statement of Cash Flows	5
Notes to Financial Statements	6 - 13





## THE EXCHANGE

chartered accountants LLP

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### AUDITORS' REPORT

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To the Special Operating Agency Financing Authority

We have audited the balance sheet of Green Manitoba Eco Solutions, An Agency of the Special Operating Agencies Financing Authority Province of Manitoba, as at March 31, 2009 and the statements of income and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of Green Manitoba's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of Green Manitoba as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

*The Exchange*

chartered accountants LLP

Winnipeg, Manitoba  
May 11, 2009

## **GREEN MANITOBA ECO SOLUTIONS**

*(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)*

### **Management's Responsibility for Financial Reporting**

Green Manitoba Eco Solutions (Green Manitoba) management is responsible for preparing the financial statements and other financial information in the Annual Report. This responsibility includes maintaining the integrity and objectivity of financial data and the presentation of Green Manitoba's financial position and results of operations and its cash flows in accordance with Canadian generally accepted accounting principles. In management's opinion, the financial statements have been properly prepared within reasonable limits of materiality, incorporating management's best judgement regarding all necessary estimates and all other data available through May 11, 2009.

Management maintains internal controls to properly safeguard Green Manitoba's assets. These controls also provide reasonable assurance that the books and records from which financial statements are derived accurately reflect all transactions, and that established policies and procedures are followed.

Green Manitoba's financial statements have been audited by The Exchange chartered accountants LLP, independent external auditors. The auditors' responsibility is to express an independent opinion on whether the financial statements of Green Manitoba are presented fairly, in all material respects, in accordance with Canadian generally accepted accounting principles. The Auditors' Report outlines the scope of their audit examination and provides their audit opinion.

On behalf of Green Manitoba's management,



Doug Smith  
Director

Winnipeg, Manitoba  
May 11, 2009

**GREEN MANITOBA ECO SOLUTIONS***(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)***Balance Sheet****March 31, 2009**

	2009	2008
<b>ASSETS</b>		
<b>CURRENT</b>		
Cash	\$ 890	\$ 109
Accounts receivable (Note 5)	579	195
Prepaid expenses	-	1
	<u>1,469</u>	<u>305</u>
<b>CAPITAL ASSETS (Notes 3, 6)</b>		
	<u>6</u>	<u>9</u>
	<u>\$ 1,475</u>	<u>\$ 314</u>
<b>LIABILITIES</b>		
<b>CURRENT</b>		
Accounts payable and accrued liabilities	\$ 779	\$ 101
Deferred revenue (Note 3)	632	252
	<u>1,411</u>	<u>353</u>
<b>SEVERANCE LIABILITY (Note 8)</b>		
	<u>-</u>	<u>2</u>
	<u>1,411</u>	<u>355</u>
<b>EQUITY</b>		
Contributed surplus (Note 9)	9	9
Retained earnings (deficit)	55	(50)
	<u>64</u>	<u>(41)</u>
	<u>\$ 1,475</u>	<u>\$ 314</u>

**GREEN MANITOBA ECO SOLUTIONS***(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)***Statement of Income and Retained Earnings****Year Ended March 31, 2009**

	2009	2008
<b>REVENUE</b>		
Science, Technology, Energy and Mines Grant (STEM)	\$ 1,881	\$ 1,881
Other government revenue	3,011	532
Non government revenue	230	103
	<u>5,122</u>	<u>2,516</u>
<b>EXPENSES</b>		
Advertising and promotion	22	19
Amortization	3	3
Computer expenses	29	27
Contracted services	76	153
Moving	9	-
Office	43	31
Professional fees	7	6
Program supplies and services	4,051	1,364
Rent	115	114
Salaries and wages	637	652
Severance expense	-	2
Training	4	7
Travel	21	33
	<u>5,017</u>	<u>2,411</u>
<b>NET INCOME</b>	<b>105</b>	<b>105</b>
<b>DEFICIT - BEGINNING OF YEAR</b>	<b>(50)</b>	<b>(155)</b>
<b>RETAINED EARNINGS (DEFICIT) - END OF YEAR</b>	<b>\$ 55</b>	<b>\$ (50)</b>

**GREEN MANITOBA ECO SOLUTIONS***(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)***Statement of Cash Flows****Year Ended March 31, 2009**

	2009	2008
<b>OPERATING ACTIVITIES</b>		
Net income	\$ 105	\$ 105
Item not affecting cash:		
Amortization of capital assets	3	3
	<u>108</u>	<u>108</u>
Changes in non-cash working capital:		
Accounts receivable	(384)	(178)
Accounts payable and accrued liabilities	676	85
Deferred revenue	380	153
Prepaid expenses	1	-
	<u>673</u>	<u>60</u>
Cash flow from operating activities	<u>781</u>	<u>168</u>
<b>INVESTING ACTIVITY</b>		
Purchase of equipment	-	(4)
<b>INCREASE IN CASH FLOW</b>	<b>781</b>	<b>164</b>
CASH (WORKING CAPITAL PAYABLE) - BEGINNING OF YEAR	<u>109</u>	<u>(55)</u>
<b>CASH - END OF YEAR</b>	<b>\$ 890</b>	<b>\$ 109</b>

## **GREEN MANITOBA ECO SOLUTIONS**

*(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)*

### **Notes to Financial Statements**

**(In Thousands)**

**Year Ended March 31, 2009**

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#### **I. NATURE OF ORGANIZATION**

Effective April 1, 2006, Green Manitoba Eco Solutions ("Green Manitoba") was designated as a Special Operating Agency pursuant to the Special Operating Agencies Financing Authority act (C.C.S.M. c.S185). Green Manitoba operates under a charter approved by the Lieutenant Governor in Council.

Green Manitoba is committed to connecting environmental quality and economic vitality through efficient resource utilization. Green Manitoba promotes the implementation of community practices that conserve water, reduce demand for energy, and effectively manage and minimize waste.

Green Manitoba is financed through the Special Operating Agencies Financing Authority (SOAFA). SOAFA has the mandate to hold and acquire assets required for and resulting from Green Manitoba's operations. It finances Green Manitoba through repayable loans and working capital advances. The financial framework enables Green Manitoba to operate in a business-like manner according to public policy expectations. A management agreement between the Financing authority and the Minister of Science, Technology, Energy and Mines assigns responsibility to Green Manitoba to manage and account for agency-related assets and operations on behalf of the Financing Authority.

Green Manitoba is part of the Department of Science, Technology, Energy and Mines and operates under policy direction of the Deputy Minister. Green Manitoba remains bound by relevant legislation and regulations, as well as by administrative policy except where specific exemptions have been provided for in its charter in order to meet business objectives.

Green Manitoba is economically dependent on the Province of Manitoba, as it derives a significant portion of its revenue from the Province. The transactions with the Province of Manitoba are recorded at the exchange amount, which is the amount agreed upon by both parties.

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## **GREEN MANITOBA ECO SOLUTIONS**

*(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)*

### **Notes to Financial Statements**

**Year Ended March 31, 2009**

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#### **2. CHANGE IN ACCOUNTING POLICIES**

Effective April 1, 2008, Green Manitoba adopted the following new handbook sections issued by the Canadian Institute of Chartered Accountants (CICA):

##### Section 1535 Capital Disclosures

Section 1535 establishes standards for disclosing information about an entity's capital and how it is managed. These standards require an entity to disclose its objectives, policies and processes for managing capital, a summary of quantitative data about what it manages as capital and whether it complied with any externally imposed capital requirements to which it is subject and, if not, the consequences of such non-compliance.

##### Section 3862 Financial Instruments – Disclosures

Section 3862 modifies the disclosure requirements for financial instruments that were included in Section 3861, Financial Instruments – Disclosure and Presentation. The new standards require an entity to provide disclosures in its financial statements that enable users to evaluate the significance of financial instruments on its financial position and performance, the nature and extent of the risks to which it is exposed during the period and at the balance sheet date, and how those risks are managed.

##### Section 3863 Financial Instruments – Presentation

Section 3863 carries forward the presentation requirements of Section 3861, Financial Instruments – Disclosure and Presentation, unchanged.

The above noted new standards have no impact on the recognition, measurement or presentation of financial instruments in Green Manitoba's year end financial statements.

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#### **3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

##### Basis of reporting

The financial statements of Green Manitoba have been prepared in accordance with Canadian generally accepted accounting principles (GAAP).

##### Use of estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingencies at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

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## GREEN MANITOBA ECO SOLUTIONS

*(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)*

### Notes to Financial Statements

**Year Ended March 31, 2009**

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#### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

##### Capital disclosure

Green Manitoba's capital consists of retained earnings (deficit) and contributed surplus provided from operations.

Green Manitoba's capital management policy is to maintain sufficient capital to meet its objectives through its retained earnings by managing transfers of surplus funds to the Province of Manitoba; meet short-term capital needs with working capital advances from the Province of Manitoba; and meet long-term capital needs through long-term debt with the Province of Manitoba. There were no changes in the Agency's approach to capital management during the period.

Green Manitoba is not subject to externally imposed capital requirements.

##### Cash and equivalents

Cash and cash equivalents include cash on hand and balances with banks, net of bank overdrafts and short term investments with original maturities of six months or less. Bank borrowings are considered to be financing activities.

##### Capital Assets

Capital assets transferred to Green Manitoba on April 1, 2006 assumed a cost equal to their net book value at March 31, 2006.

Capital assets are stated at cost less accumulated amortization. Capital assets are amortized straight-line over a period of 5 years. Green Manitoba regularly reviews its capital assets to eliminate obsolete items. Government grants are treated as a reduction of capital asset cost.

##### Deferred revenue

Deferred revenue represents cash received for projects that were started but not completed by year end.

##### Revenue recognition

Grants are recognized as income in the year in which they are received. Special program funding is taken into income to match the program expenditures. Any remaining program funding is deferred.

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## GREEN MANITOBA ECO SOLUTIONS

(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)

### Notes to Financial Statements

Year Ended March 31, 2009

#### 4. FINANCIAL INSTRUMENTS

Financial assets and liabilities are initially recorded at fair value. Measurement in subsequent periods depends on the financial instrument's classification. Financial instruments are classified into one of the following five categories: held for trading; available for sale; held to maturity; loans and receivables; and other financial liabilities. All financial instruments classified as held for trading or available for sale are subsequently measured at fair value with any change in fair value recorded in net earnings and other comprehensive income, respectively. All other financial instruments are subsequently measured at amortized cost.

The financial assets and liabilities of Green Manitoba are classified and measured as follows:

<u>Financial Asset/Liability</u>	<u>Category</u>	<u>Subsequent Measurement</u>
Cash (working capital payable)	Held for trading	Fair value
Accounts receivable	Loans and receivables	Amortized cost
Accounts payable	Other financial liabilities	Amortized cost
Accrued liabilities	Other financial liabilities	Amortized cost

Amortized cost is determined using the effective interest rate method.

Gains and losses on financial instruments subsequently measured at amortized cost are recognized in the statement of earnings and retained earnings in the period the gain or loss occurs. Changes in fair value on financial instruments classified as held for trading are recognized in the statement of earnings and retained earnings for the current period. Changes in fair value on financial instruments classified as available for sale would be recorded in other comprehensive income until realized, at which time they recorded in the statement of earnings and retained earnings.

#### Fair value of financial instruments

The fair values of accounts receivable, accounts payable and accrued liabilities approximate their carrying values due to their short-term maturity.

#### Financial risk management - overview

Green Manitoba has exposure to the following risks from its use of financial instruments: credit risk; liquidity risk; market risk; interest risk; and foreign currency risk.

#### Credit risk

Credit risk is the risk that one party to a financial instrument fails to discharge an obligation and causes financial loss to another party. Financial instruments which potentially subject Green Manitoba to credit risk consist principally of cash and term deposits and accounts receivable.

The maximum exposure of Green Manitoba to credit risk at March 31, 2009 is:

Cash	\$ 890
Accounts receivable	579
	<u>\$ 1,469</u>

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## GREEN MANITOBA ECO SOLUTIONS

*(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)*

### Notes to Financial Statements

Year Ended March 31, 2009

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#### 4 FINANCIAL INSTRUMENTS *(continued)*

**Cash:** Green Manitoba is not exposed to significant credit risk as the cash and term deposits are primarily held by the Minister of Finance.

**Accounts receivable:** Green Manitoba is not exposed to significant credit risk as the customers are mostly government entities and payment in full is typically collected when it is due. Green Manitoba establishes an allowance for doubtful accounts that represents its estimate of potential credit losses. The allowance for doubtful accounts is based on management's estimates and assumptions regarding current market conditions, customer analysis and historical payment trends. These factors are considered when determining whether past due accounts are allowed for or written off.

#### Liquidity risk

Liquidity risk is the risk that Green Manitoba will not be able to meet its financial obligations as they come due.

Green Manitoba manages liquidity risk by maintaining adequate cash balances and by review from the Province of Manitoba to ensure adequate funding will be received to meet the obligations.

#### Market risk

Market risk is the risk that changes in market prices, such as interest rates and foreign exchange rates, will affect Green Manitoba's income or the fair values of its financial instruments. The significant market risks Green Manitoba is exposed to are interest rate risk and foreign currency risk.

#### Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The interest rate exposure relates to funds on deposit.

The interest rate risk on funds on deposit is considered to be low because of their short-term nature.

#### Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Green Manitoba is not exposed to significant foreign currency risk as it does not have any financial instruments denominated in foreign currency.

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**GREEN MANITOBA ECO SOLUTIONS***(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)***Notes to Financial Statements****Year Ended March 31, 2009****5. ACCOUNTS RECEIVABLE**

The accounts receivable balance is comprised of the following amounts:

	2009	2008
Severance	\$ 42	\$ -
Education - Gimli water project	-	8
E-waste recycling	5	112
UDI - West Broadway Low Income	-	75
Eco-Calendar	1	-
Low Income Residential Efficiency Program	531	-
	<u>\$ 579</u>	<u>\$ 195</u>

**6. CAPITAL ASSETS**

	2009		2008	
	Cost	Accumulated amortization	Cost	Accumulated amortization
Computer equipment	\$ 4	\$ 2	\$ 4	\$ 1
Furniture and fixtures	9	5	9	3
	<u>\$ 13</u>	<u>\$ 7</u>	<u>\$ 13</u>	<u>\$ 4</u>
Net book value	<u>\$ 6</u>		<u>\$ 9</u>	

**7. WORKING CAPITAL PAYABLE**

Green Manitoba has an authorized line of working capital from the Province of Manitoba of \$500 of which \$Nil was used at March 31, 2009 (2008 - \$Nil).

**GREEN MANITOBA ECO SOLUTIONS**  
*(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)*

**Notes to Financial Statements**

**Year Ended March 31, 2009**

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**8. SEVERANCE LIABILITY**

Effective April 1, 2006, Green Manitoba commenced recording accumulated severance pay benefits for its employees.

An actuarial report was completed for the severance pay liability as of March 31, 2005. The report provides a formula to update the liability on an annual basis. The Green Manitoba's actuarially determined net liability for accounting purposes as at March 31, 2009 was \$NIL (2008 - \$2).

Significant long-term actuarial assumptions used in the March 31, 2005 valuation, and in the determination of the March 31, 2009 present value of the accrued severance benefit obligation were:

Annual rate of return	
inflation component	2.50%
real rate of return	4.00%
	<u>6.50%</u>
Assumed salary increase rates	
annual productivity increase	0.75%
annual general salary increase	3.25%
	<u>4.00%</u>

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**9. CONTRIBUTED SURPLUS**

Green Manitoba and the Department of Energy, Science and Technology entered into a Transfer Agreement to transfer existing assets used in Green Manitoba Eco Solutions program of the Department of Energy, Science and Technology. They consist primarily of equipment, furniture and other items having an estimated value of \$9. Green Manitoba has capitalized these assets with a corresponding increase in contributed surplus.

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**10. PENSION BENEFIT**

In accordance with the provisions of The Civil Service Superannuation Act, employees of Green Manitoba are eligible for pension benefits under the Civil Service Superannuation Fund. The pension plan is a defined benefit plan, which requires Green Manitoba to contribute an amount equal to the employee's contribution to the fund for current services. The amount expended by Green Manitoba in the current year is \$29 (2008 - \$25).

Green Manitoba has no further liability associated with the annual cost of pension benefits earned by Green Manitoba's employees.

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# GREEN MANITOBA ECO SOLUTIONS

*(An Agency of the Special Operating Agencies Financing Authority Province of Manitoba)*

## Notes to Financial Statements

**Year Ended March 31, 2009**

### 11. PUBLIC SECTOR COMPENSATION DISCLOSURE

		2009	2008
Eckstein, Brett	Planning program analyst 1	\$ -	\$ 65
Ferguson, Jim	Planning program analyst 3	70	68
Jonasson, John	Planning consultant	86	77
McKenzie, Shane	Planning program analyst 2	55	52
Shymko, Randall	Planning program analyst 3	59	55
Storey, C. Marie	Planning program analyst 1	51	-

It is a requirement of the Public Sector Compensation Disclosure Act that annual disclosure be made of individual compensation exceeding \$50 annually to any officer or employee of the Province of Manitoba. The above employees received compensation in excess of \$50.

During the year, Green Manitoba was not the employer of record for any other employees receiving compensation in excess of \$50. Where compensation in excess of \$50 was paid, employee names and the amounts paid have been disclosed in the records of affected departments.







**Green Manitoba**

*An Agency of the Manitoba Government*



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